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government's making loans available on relatively easy terms for terrace construction (Grigg, 1880, 470; Ranga, 1934, 12–13).

As a result of terracing in many places and minute subdivision elsewhere, fields are usually so small that it has become inefficient, if not impossible, to plough them (Vivekanandam Pillai, 1937, 249). For over forty years therefore the plough and oxen have rarely been seen on the plateau (Ranga, 1934, 12–13; Vivekanandam Pillai, 1937, 249; Noble, 1968, 144–145; see below, p. 167, n. 11). Much of the work load formerly carried by oxen is now taken by cheap migrant labourers from the plains; men work for daily wages of three rupees (equivalent to 40 cts. U.S.), and women for two (1970).

While the profits from potato, tea and coffee are very much higher per hectare than those from the traditional grain crops, the risks are also much greater. Not only does a farmer need ready cash to buy seed or cuttings, fertilizer and labour, but reserve cash is needed to feed his family should disease ruin the crop one season. Here the co-operative societies set up under state government guidance have helped Badagas somewhat, but less than might be expected. Short-term loans are available against land securities for all members of a society,[20] and long-term loans are obtainable from the Land Mortgage Bank (established in 1937).

Before the appearance of these facilities the money-lender (a Tamilian Chettiar, a northern Marwari or a Moslem) was an ominous figure in the lives of many Badagas; for some he still is. Early in the present century the monthly interest on his loans ranged from 3% to 12.5% of the principal, but though these rates were quite extortionate loans were in general repaid (Thurston, 1909, vol. I, 64; Madras, 1928, 55; Ranga, 1934, 4). In the previous century not even these loan facilities were accessible to Badagas: they could only borrow from wealthy Badagas, preferably those related to the borrower by marriage but living in a village at some discreet distance from him. No interest was charged on such loans then.

The first Badaga co-operative society was formed at Kereha:da in 1911, the 'Kerhada Rice Rural Credit Society', named in reference to Mr. S. P. Rice, a former Collector who had initiated interest in the co-operative movement. At that time annual interest rates varied between 24% and 75% of the principal. By 1918 there were eighteen such societies, and by 1927 the plateau had fifty-four agricultural credit societies from which Badagas could get loans

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452 426 (Madras, 1928, 55-57; Vivekanandam Pillai, 1937, 249); while at present there are nearly two hundred. By about 1920 the Badaga co-operators

> could no longer hope to repay the loan from their earnings and in almost all cases they have had to part with their property for clearing their loans. The malady was aggravated by the imperfect education in co-operation imparted and the want of adequate supervision and control in the beginning. It was then realized that co-operative credit alone was not the remedy and attempts were made to secure for these tribes their necessaries of life at moderate price and save them from the clutches of the unscrupulous shopkeepers. A Purchase and Sale Society was started in 1919, which in 1923 converted itself into the Potato Growers' Purchase and Sale Society and attempted to control the market for potatoes with a view to secure a fair price for the potato crop. In 1924 a Labour Union was organized for their benefit. But all these steps proved of no avail. Want of loyalty on their part led to the collapse of the former in 1925. The latter society is doing no work now. Attempts are now being made to increase their earning capacity by introducing among the Badagas sericulture and improved poultry farming... (Madras, 1928, 56).

In 1954 the Reserve Bank of India initiated nation-wide an 'integrated scheme of rural credit' which tied the granting of loans to the marketing of the crop rather than to the amount of land available as security. The scheme was introduced in the Nilgiri co-operatives.

> The controlled credit scheme works through a linking of the village primary societies, the Nilgiris District Central Cooperative Bank, and the Nilgiris Marketing Society. The village primary societies (and individual members of the Marketing Society) get their seeds and manure from the Marketing Society; the Marketing Society sends the relevant indents and loan applications to the Central Bank for sanction; the members market their harvests (at least enough to cover the loans) through the Marketing Society; the Marketing Society sends the sales proceeds to the Central Bank; the Central Bank deducts the loans and sends the balance to the village primary societies

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452 or individual members.

426 One difficulty in the scheme is that the maximum amount which any society can lend to an individual member is Rs. 2,000. Even at the inadequate rate of Rs. 500 per acre, members can get through cooperative channels only enough finance for the cultivation of four acres. In the various societies which I visited in the Nilgiris, the officers usually were substantial people with well more than four acres. It was a curious situation to find them put in a position where to meet their current needs, they had to go to private sources... They told me that they got about half of their credit from the society and the other half from the private merchant-moneylenders. Although they sold some of their produce to the marketing society, they usually sold the major portion through the private merchants. They explained that the merchants gave them much more credit than they could get from the society, on condition that they sell their produce through the merchants. They said that the cooperatives were rather inflexible about extending loans, whereas they could count on the merchants to carry them through a bad season or two. When there is a crop failure, they have to go to the private merchant and borrow from him to pay back their loan to the cooperative society... To them this was a kind of "cooperation" and was more important than anything else.

By contrast, when their loans became overdue, the cooperative society cut off their credit. The societies went by rules and regulations which did not benefit the members. They said that from the societies they did not get real cooperation.

These statements did not conflict with what I had been told earlier in the best cooperative agricultural bank in the Nilgiris. There members and office-bearers told me that the rules laid down by Government for the cooperatives were very hard and stringent. They tied the hands of the working officials who would like to do more. Everything was rules and circulars; there was no leeway, no room for initiative. What was crucial was the Government loan, the Government grant, the Government subsidy.

Lest this seem an exaggeration, it may be observed that in Ootacamund there are no less than four Deputy-Registrars of Cooperative Societies; one is General Deputy-Registrar; another is Special Deputy-Registrar to supervise credit and agricultural marketing; a third is in charge of the Cooperative

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452 426 Central Bank; and the fourth runs the Marketing Society (Thorner, 1964, 71–73).

426 The law today limits the monthly interest on pawned items to a rate varying from ¼% to 1½%, depending on the size of the loan. Even so, loans between Badagas now command an interest rate of 1% to 4% per month; while the professional money-lenders also secretly charge interest beyond what they are entitled to. On a loan of up to Rs. 200, for example, the Marwari lender can legally charge only 1½% per month simple interest. He gives a receipt for that rate but at the same time insists on one year's interest in advance, and compounded, at 2% per month. One can hardly castigate the Marwari for his cupidity, or the Badaga for still patronizing him, however, when one learns the scale of bribes which some local government officials expect in return for granting loans from the cooperative bank.

452 (426) Yet the cooperative movement has gone a long way towards protecting Badagas from the high interest rates of private money-lenders; the Panchayat Unions and some multi-purpose societies even help farmers by supplying fertilizers, insecticides and modern equipment at cost prices. If these societies operate somewhat more effectively here than in other parts of India, the explanation lies in the fact that the Badaga societies are not in practice multi-caste institutions. They are run largely by and for the members of this one community, thus avoiding some of the factionalism and favouritism that commonly pervade such societies elsewhere.

MODERN SYSTEMS OF MARKETING

178 (366) With the spread of urbanization during the mid-nineteenth century, other markets besides that at Ootacamund began to cater to the needs of local villagers. Regular weekly markets opened at Coonoor, Kotagiri, Wellington, and later in several villages at some distance from any town.[21] The use of these markets by the Badagas is related to two other developments discussed earlier: (651) (654) (434) first, the payment of land revenues and the restriction on use of land caused by the Land Settlement and legislation to stop swidden farming in the forests; and secondly, the consequent movement of some Badaga labourers, including women and children, onto the tea and coffee plantations, where they earned a

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was mostly in steep rocky places ill-suited to any cultivation.)

14. Grigg, 1880, 321, mentions there were 29,912 acres (12,105 ha.) of farming land on the plateau in 1862–1863 but considers this 'a fictitious number'. Fifteen years earlier Ouchterlony had estimated that the Badagas alone used 12,750 ha.; Grigg, 1880, 13.

15. It is 19 km. by road from Ootacamund and embraces the Badaga commune of So:lu:ru.

16. That Sholur was not atypical in this respect is suggested by the fact that in 1867 the average number of persons per Badaga household for the entire district was 4.36; Shortt & Ouchterlony, 1868, 61.

17. Land utilization figures for the entire district, 1905–1960, in Nambiar (1965), do not isolate the role of Badaga agriculture.

18. Ranga, 1934, 68. As early as 1908 Francis (p. 167) noted: 'Potatoes are much exported to Ceylon, the Straits [Malaya] and Burma . . .' It was in 1908 that the railway connecting Ootacamund with the plains was completed.

19. Ranga, 1934, 14–15, 18–22. 'In fact many planters advance money to Badagas to enable them to dig pits and plant tea . . . with the intention of being able to purchase that land'; Ranga, 1934, 15.

20. Merchants also granted credit for purchase of daily needs—at much inflated prices; Ranga, 1934, 73–74; Vivekanandam Pillai, 1937, 249. Such traders are an excellent example of Simmel's 'resident stranger', whose presence catalyses a peasant economy by affording credit; Simmel, 1923, 509–512.

21. De:vaso:le, Kolekombe, Se:laa, Gudalu:ru, Manju:ru, Ki:kotagiri, Neḍugula, and Naduvatta; Baikie, 1857, 38, 88; Grigg, 1880, 471.

22. Nambiar, 1965, 23. The first time this problem beset Badaga farmers was in 1880; B.E.M.S., 1880, no. 41, 37; Grigg, 1880; 134.

23. Ranga, 1934, 7–9. Badaga contractors had been involved in such work since the mid-nineteenth century; McPherson, 1870, 21.

24. Natesa Sastri, 1892, 753; Francis, 1908, 129; Thurston, 1909, vol. I, 63; Ranga, 1934, 8; Vivekanandam Pillai, 1937, 248. These jobs included builders, blacksmiths, brickmakers, carpenters, clerks, domestic servants, painters, gardeners, washermen, teachers, printers, forest guards, tailors, barbers, water-carriers, stone-breakers, rickshaw-pullers, and even coolies and scavengers.

25. Jagor, 1876, 201–202; unlike most Hindus the Badagas do not employ washermen.

26. These were mainly Christians.

27. The categories are taken from the 1961 *Census of India.*

28. The designation is not recent; Francis, 1908, 265. On the Backward Classes generally, see Béteille, 1969, 87–145. Very recently the Nilgiri Hill Tribe Badaga Welfare Association was formed to promote government action in classifying Badagas as Scheduled Tribe, which would have material advantages for the community.